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## IESO SENIOR MANAGEMENT UPDATE

To: Stakeholder Advisory Committee

Date: February 4, 2009

Subject: **Market Design Change Studies – Schedule and Status**

Information Item

### **Introduction**

The Stakeholder Advisory Committee requested that the IESO provide, on an ongoing basis, the schedule (deliverables and target dates) and status of the priority market design change studies. The Stakeholder Advisory Committee also requested that the IESO identify the expected role of the Committee in these studies.

This request arose from discussions in late 2008 regarding the process for establishing priorities for market design change studies.

**Schedule and Status**

**Market Design Change Work Plan – 2009**

<b>Design Change Initiative</b>	<b>Stakeholder Engagement Plan #</b>	<b>Stakeholder Forum(s)</b>	<b>Milestones</b>	<b>SAC Involvement</b>
Enhanced Day-Ahead Commitment	SE-21	<ul style="list-style-type: none"> <li>• Technical Support Group</li> <li>• Technical Panel</li> </ul>	<ol style="list-style-type: none"> <li>1. V1_0 Design completed – Feb 2009</li> <li>2. Detailed Design Complete and Vendor Selection – Q4 2009</li> </ol>	IESO to provide information updates.
Embedded/Distributed Generation	SE-57	Through SE plan	<ol style="list-style-type: none"> <li>1. Stakeholder meeting to discuss next steps – Feb 2009</li> <li>2. Market rule development - Q2-Q3 2009</li> </ol>	Potential for SAC feedback/advice on market policy-type issues (e.g. IESO dispatch of embedded generation) – Q2/Q3 2009
Exploration of Enhancements to Dispatch Methodology	SE-61	Through SE plan	<ol style="list-style-type: none"> <li>1. Independent review of IESO DSO and Other Markets – Q1-Q2 2009</li> <li>2. IESO report on findings and next steps – Q2 2009</li> </ol>	To be determined.
More Efficient Uniform Price	SE-79 (under development)	<ul style="list-style-type: none"> <li>• Market Pricing Working Group and/or SAC Sub-committee</li> </ul>	<ol style="list-style-type: none"> <li>1. Introductory discussion with MPWG – Feb/Apr 2009</li> <li>2. IESO issue/discussion paper – Q2/3 2009</li> </ol>	<ul style="list-style-type: none"> <li>• Potential for SAC Sub-committee to be directly involved in study</li> <li>• Information updates to entire SAC</li> </ul>
Surplus Baseload Generation		To be determined	To be determined	To be determined

Design Change Initiative	Stakeholder Engagement Plan #	Stakeholder Forum(s)	Milestones	SAC Involvement
Operating Reserve and Market Schedule Practices Review	SE-67	<ul style="list-style-type: none"> <li>• Market Pricing Working Group</li> <li>• Technical Panel (if market rule amendments required)</li> </ul>	<ol style="list-style-type: none"> <li>1. Analysis and discussion with MPWG – Q2 2009</li> <li>2. Market rule amendments (if required) – Q3-Q4 2009</li> </ol>	None expected.
Control Action Operating Reserve	SE-72	<ul style="list-style-type: none"> <li>• Market Pricing Working Group</li> </ul>	<ol style="list-style-type: none"> <li>1. Analysis of 4 options for changes; discussions with MPWG: Q1-Q2 2009</li> <li>2. IESO recommendation, discussion and decision: Q3 2009</li> </ol>	None expected.
Intertie Transactions Setting Real-Time Price	SE-18	<ul style="list-style-type: none"> <li>• Market Pricing Working Group</li> </ul>	<ol style="list-style-type: none"> <li>1. Issue re-definition and discussion Feb MPWG; determination of next steps</li> </ol>	To be determined